



The most wasted of all days is one without laughter.

e.e. cummings

25 Ways to Reward Employees Without Spending a Dime

Your firm's employees work hard (well, most of them). And in a world where corporations like to boast about running "lean and mean," it may seem nearly impossible to compensate employees for doing good work without breaking the budget.

The good news? You don't have to. A January 2007 survey by staffing firm Accountemps found that "frequent recognition of accomplishments" was the top non-monetary compensation named by full- and part-time office workers, with "regular communication" coming in at No. 2. Both activities can make your staff more productive without shaving one millimeter off your bottom line.

We talked to management consultants, HR pros, career coaches, book authors and bosses from a range of industries to glean the 25 best ways to reward employees without breaking the bank. Here's their hard-earned advice.

1. Flex those hours. If there's one free reward that rises above the rest, it's flexible work schedules. Nearly every expert we contacted suggested flex time as a perk that offers the most gain with the least pain.

"Give a little latitude in determining work schedules and to take time for family or personal issues (such as doctor's appointment and banking errands)," advised Richard Martin, president of Alcera Consulting Inc. "As long as the employee is deserving and doesn't abuse the privilege, this can go a long way to building trusting and mature relationships with key workers."



*Both optimists and pessimists
contribute to our society.
The optimist invents the
airplane and the pessimist
the parachute.*

Gil Stern

2. Send a handwritten note. Supervisors should ask top brass to write a personal note to employees who deserve recognition, advised Cindy Ventrice, author of "Make Their Day! Employee Recognition That Works." For example, AdvancedMD CEO Jim Pack handwrites his thank-you notes to employees on a \$2 bill. "In three years of doing this, only one employee has asked if he could spend it," said company spokesman John Pilmer.

3. Make work fun. "During a business coaching engagement, I found employee morale to be way down," said Terri Levine, president of The Coaching Institute. "We created a weekly event to boost morale. One week we asked everyone to bring in a baby picture, post it on a wall, then pick which person matched each picture. Everyone was having fun and socializing while productivity went from 58 percent to 72 percent — all in the same week."

4. Help them connect. Introducing employees to key suppliers, customers or someone in senior management can help make an employee's career, says Ventrice — and it won't cost you a thing.

5. Lose the shoes. Kaerie Ray, an account executive with the Echo Media Group public relations firm, said implementing a "no-shoes policy" can make employees feel right at home with each other, which translates into increased productivity. (But she suggests keeping the footwear handy in case clients come in.) "It's great to be in an office where employees are more concerned about doing quality work than what shoes or jewelry they have on," she said. "We get so much done."

6. Send them to the showers. (As in parties, not lathering and rinsing.) "Every birth and wedding deserves a shower," said Ray. "Echo employees always leave early on shower days, and the food is on the house. No need to make up the time."



*Fear knocked at the door.
Faith answered. And lo,
no one was there.*

Author Unknown

7. Reward effort as well as success.

Even if their ideas sometimes fail, you want employees to keep producing them, said Alan Weiss, president of the Summit Consulting Group Inc. "When I consulted with the CEO of Calgon, we created an annual award for 'the best idea that didn't work' and presented a loving cup at the annual awards dinner. This stimulated innovation and positive behavior, not 'winning.'"

8. Give them a free pass.

Levine suggests giving out a certain number of free days off to employees to use as they see fit. "Employees get a few of these a year and can use them as they like," she said. "They don't have to pretend to be sick. They can go to the beach, read a book, play with their kids ... it doesn't matter."

9. Dole out cream and sugar.

During the busiest times of the year, executives at the Cigna Group push coffee carts around the office, serving drinks and refreshments to their colleagues, noted Steve Harrison, author of "The Manager's Book of Decencies: How Small Gestures Build Great Companies." As they serve, executives coach and encourage colleagues and hear about real consumer issues.

10. Blow out the candles.

Cisco Systems Inc.'s CEO John Chambers hosts a monthly hour-long birthday breakfast for any employee with a birthday that month, says Harrison. "Employees are invited to ask him anything. They feel recognized, and he gains loyal employees who share their ideas."



Experience is the name everyone gives to his mistakes.

Oscar Wilde, Lady Windemere's Fan, 1896

11. Spread the love. Ask co-workers to write something they truly like or admire about an employee on a scrap of paper, then frame them along with a photograph of the employee, suggested David Russell, author of "Success With People – A Complete System for Effectively Managing People in Any Organization."

12. Offer a swap. Giving your best employees a chance to pick their own projects or trade tasks with a colleague empowers and rewards them at the same time, said Harrison.

13. Applaud their efforts — literally. If someone has done something really worthwhile, have your entire staff give them a standing ovation at the next meeting, suggested Sharlyn Lauby, president of HR consulting firm ITM Group Inc

14. Say it with flowers. Professor Linda M. Lopeke, principal of SmartStartCoach.com, said she used to reward top employees by bringing in flowers from her garden and arranging them in a spectacular crystal vase on their desks. "Everybody knew what having the custody of the flowers meant," she said. "Surprisingly, even the men competed fiercely for custody of the flowers." In the winter, she'd substitute a showpiece display of floating glass fish.

15. Walk it as you talk it. The City of Dallas sponsored a walkathon where employees set goals for walking a certain number of steps each day, offering a free gym membership to those who walked the farthest. Not only did they get more fit, they turned their daily walks into traveling staff meetings, says city spokeswoman Danielle McClland.

"Group members were able to update one another on projects, solicit team input and improve their fitness," she said. "The organized program ended after three weeks, but the work group still holds their traveling staff meetings two months later."



*I have not failed. I've just found
10,000 ways that won't work.*

Thomas Edison

16. Pass the bucks. Handing out monopoly money that can be redeemed for gifts and other goodies may not be strictly free, but it pays off handsomely in the long run. For example, associates at BankAtlantic can pass out “WOW! Bucks” to colleagues who've done something outstanding, said bank vice president Gregory Dalmotte. The bucks can eventually be traded in for real goods. “There's a clear correlation that words of encouragement have created associates who perform at a higher level,” he says.

17. Share the memories. “My team created a scrapbook chronicling the impact I'd had on their company and gave it to me on my last day in the office,” said Lopeke. “People who'd worked on my teams wrote testimonials and creative graphics highlighting some our team successes. It's the best gift I ever received in my 40-year career.”

18. Elect them to the Wall of Fame. Several experts suggested setting aside a public space inside your firm and placing photos of employees who've accomplished something truly special, along with the details of what they did to earn their place on the wall.

19. Create your own "Club Med." Set aside a quiet space or unused office in your building where employees can meditate, chill out, nap or otherwise re-center themselves, said John Putzier, author of "Get Weird! 101 Innovative Ways to Make Your Company a Great Place to Work."



*Excuses are the nails used to
build a house of failure.*

Don Wilder and Bill Rechin

20. Stoke their passion. “Great employees are not mercenaries,” said Dr. Richard Chang, CEO of Richard Chang Associates Inc., a performance-improvement consultancy. “They don’t just want to enjoy their work, they want to be passionate about it ... if you want your employees to feel valued and inspire their passion on your behalf, encourage them to make their own decisions. You can have systems in place to control the implementation of ideas, but you must be certain not to compromise the enthusiasm, creativity and hard work that make them possible in the first place.”

21. Give them a place to park it. Reserve the best parking spot for employees who've done something truly worthwhile, said Lopeke. And if it's next to the CEO's Lexus so the employee can chat him or her up on the way into work, so much the better.

22. Remember the spouses. Independent management consultant Nan Amish recalled one time when she had 16 employees trapped in a hotel lobby on a Sunday night, waiting for the ballroom to open so they could set up a trade-show booth. “I bought flowers at a farmers market, a nice \$6 bouquet of roses for each person,” she said. “I told them to take them home to their significant others, apologizing for me taking them away from their families on a Sunday. The next day I got thank-yous from most of them. One wife sent a letter saying I could keep her husband until Friday.”

23. Publicize their successes. “We like to publicly recognize employees so the whole company can share in their accomplishments,” noted Scott Ragusa, president of contract businesses for staffing firm The Winter, Wyman Companies. “Each week, nominations for our quarterly 'Clutch' award are shared with the whole company. The Clutch nominations are a way to recognize our administrative and nonmanagerial professional staff members who have come through in the clutch in supporting their departments or the firm.”

A teacher who is attempting to teach without inspiring the pupil with a desire to learn is hammering on cold iron.

Horace Mann

24. Let them phone it in. Telecommuting programs can relieve stress and make workers feel more appreciated, as well as more productive. "Reward the employee by starting with one day of telecommuting, then add additional days as performance heightens," suggested Brian Margarita, president of IT staffing firm TalentFuse Inc. "Having the option to cart the kids to soccer practice, visit the beach during the afternoon or cut out early to avoid traffic congestion is becoming more important than working an 80-hour week for a larger paycheck."

25. Remember the secret words. "The two most underused words in corporate America that get the highest ROI (return on investment) and ROT (return on your time) are the simple words 'thank you,'" noted Michael Guld, president of the Guld Resource Group author of "The Million Dollar Media Rep: How to Become a Television and Radio Sales Superstar."

While telling your employees you appreciate them should be obvious, added Amish, no one does it enough or is specific enough about what the employee did. "So when you share your appreciation, be specific about what you really liked, so they not only feel appreciated but can do it again."





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